

**Introduced by Senator Ducheny**

February 16, 2005

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An act to add Section 5701.7 to the Welfare and Institutions Code, relating to mental health.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 325, as introduced, Ducheny. County reimbursement.

The Bronzan-McCorquodale Act establishes provisions to organize and finance community mental health services for persons with mental disorders in every county through locally administered and locally controlled community mental health programs.

Existing law provides for the allocation of state sales tax revenues and vehicle license fees into the continuously appropriated Local Revenue Fund, for allocation to counties for various stated purposes, from the accounts contained in the fund.

Existing law provides that counties are to continue to receive reimbursement from specifically appropriated funds for costs necessarily incurred in providing psychotherapy and other mental health services for pupils with disabilities and that counties are not required to provide any share of those costs or to fund the cost of any part of these services with money received from the Local Revenue Fund for reimbursement claims for services delivered in the 2001-02 fiscal year and thereafter to those pupils.

Existing law authorizes counties to utilize money received from the Local Revenue Fund to fund the costs of any part of necessarily incurred in providing any part of psychotherapy and other mental health services for handicapped and disabled pupils and provides that counties who use money from that fund for those services are eligible for reimbursement from the state.

This bill would authorize counties to seek reimbursement from the Local Revenue Fund for all verified excess costs to fund assessments, psychotherapy, and other mental health services allowable under federal regulations and required by state law.

This bill would also require the California Department of Education and the State Department of Mental Health to conduct a joint study and, no later than April 15, 2007, submit a report to the appropriate committees of the Legislature, on procedures for counties to utilize in documenting services provided to disabled children and procedures for obtaining reimbursement for excess costs.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 5701.7 is added to the Welfare and  
2     Institutions Code, to read:  
3     5701.7. Each county may seek reimbursement from the Local  
4     Revenue Fund for all verified excess costs to fund assessments,  
5     psychotherapy, and other mental health services allowable under  
6     Section 300.24 of Title 34 of the Code of Federal Regulations  
7     and required by Chapter 26.5 (commencing with Section 7570)  
8     of Division 7 of Title 1 of the Government Code.  
9     SEC. 2. The California Department of Education and the State  
10    Department of Mental Health shall conduct a joint study and, no  
11    later than April 15, 2007, submit a report to the appropriate  
12    committees of the Legislature, containing recommended  
13    procedures for counties to utilize in documenting services  
14    provided to disabled children, costs to the counties in excess of  
15    state, federal, and local funds to which the counties have access,  
16    and recommended methods by which the counties may receive  
17    reimbursement for their verified excess costs.

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